



ARIZONA DEPARTMENT OF ECONOMIC SECURITY

1789 W. Jefferson - P.O. Box 6123 - Site Code 791A - Phoenix, Arizona 85005

Janet Napolitano
Governor

Division of Developmental Disabilities
Telephone: (602) 542-0419 Fax: (602) 542-6870
TTY/Voice Services: 7-1-1

Tracy L. Wareing
Director

March 30, 2007

Dear Consumer and Family Members:

As you are aware, the State of Arizona implemented a new minimum wage of \$6.75 effective January 1, 2007, based on the voter approved initiative, Proposition 202. There have been a number of questions and concerns raised as to whether and how providers of employment services and consumers served by these programs may be impacted by this new law. Most of these provider agencies have special sub-minimum wage certificates from the U.S. Department of Labor that allow them to pay people based on their productivity. The two program areas that have raised the most questions are Center-Based Employment and Group Supported Employment. You may have heard these programs referred to as work centers, sheltered workshops, enclaves or work crews.

In follow-up to the questions raised, the Industrial Commission of Arizona proposed language to clarify how this new law will affect individuals with disabilities working in the types of programs referenced above. Because questions and concerns continue to be raised, the Division wanted to take this opportunity to restate its commitment to minimizing the disruption in services for both consumers and providers of employment services and supports.

The Division of Developmental Disabilities has spoken with most of its employment service providers to ask about their plans to continue their current services. Some providers have continued operating as usual, while others have chosen to provide work at the minimum wage. Another alternative approved by the Division in December 2006 was to provide non-paid work activities and training related to generic work skills and appropriate work habits, per the service specifications under Center-Based Employment. This option is being extended for up to an additional 90 days, effective April 1 through June 30, 2007, pending final clarification on the impact of the minimum wage act on persons engaged in employment-related services.

As the Division believes that consumers remaining in a structured environment with a day that promotes each person's current vocational and employment goals is in the consumers' best interest, we do not anticipate an increase in day treatment use or time at home as a result of this contingency plan. Any such request will require an Individual Support Plan team meeting and the Division's first priority would be to look for other employment-related options. This interim contingency plan is only intended to address the uncertainty of the impact of the state's new minimum wage law until further guidance is available. It does not alter the Division's long term program goal of increasing employment opportunities for consumers.

Thank you so much. Please do not hesitate to contact your Support Coordinator if you have any questions or concerns.

Sincerely,

A handwritten signature in cursive script, appearing to read "Barbara Brent".

Barbara Brent
Assistant Director